

NEW YORK TIMES

7 JUN 1975

ORGI Northrop

NORTHROP CITES UNDERCOVER ROLE

Correspondence Exchanges of Kermit Roosevelt With Company Are Disclosed

By DAVID BINDER

Special to The New York Times

WASHINGTON, June 6—A glimpse of undercover intelligence operations, bribery of Arab princes and high-pressure military-aviation sales tactics was provided today in documents of the Northrop Corporation released by a Senate Foreign Relations subcommittee.

The documents include exchanges of correspondence between Northrop executives and Kermit (Kim) Roosevelt dating back to 1965 when he was a consultant for the Beverly Hills, Calif., corporation.

Mr. Roosevelt, a grandson of President Theodore Roosevelt, was the swashbuckling Central Intelligence Agency operative who personally arranged a coup that reinstated Rizi-Fahlevi as Shah of Iran in 1953.

Mr. Roosevelt was reported recovering from open-heart surgery and could not be reached for comment.

The coup followed the Shah's dismissal of Premier Mohammad Mossadegh on Aug. 13, 1953. According to "The Invisible Government," a book on the C.I.A. by David Wise and Thomas B. Ross, although the Shah was forced by rioting mobs to flee Iran for several days, Iranian agents organized by Mr. Roosevelt staged an anti-Mossadegh demonstration, which turned the situation around, ending with the jailing of the Premier and the Shah's return from exile.

The correspondence released by the Northrop-Vg firm, shows Corporation following an internal investigation by an audit that Mr. Roosevelt, who is now 59 years old, used some of his C.I.A. connections to advantage in work on behalf of Northrop in the Middle East.

Mr. Roosevelt quoted a

Saudi official, Anas Yassin, as having to him "flatly that he knew that Lockheed had bribed certain officers," to promote sales of Lockheed's F-104 fighter. Northrop was promoting its F-5 Freedom Fighter at the time.

Two days later Mr. Roosevelt wrote General Timberlake again saying, "My friends in the C.I.A. are also keeping an eye on things."

By April 15, 1965, Mr. Roosevelt was able to report that the Lockheed deal had been squashed by the late King Faisal himself after he had been told by Anas Yassin of the bribery effort with "names of officers bribed and the amounts."

In the meantime Mr. Roosevelt had flown to Iran to talk with the Shah and other

Iranian officials in behalf of Northrop.

He spoke of "General Khatami, who is my old personal friend even though he once flew me over Soviet territory by mistake when I was high on the wanted list in Russia!" General Mohammed Khatami commanded the Iranian Air Force.

March, 1965, Letter

In a letter dated March 17, 1965, and addressed to Patrick W. Timberlake, a Northrop vice president, Mr. Roosevelt wrote, "I have talked to a friend in my old place of employment who seems to be somehow or other involved in various discussions relating to the decision" on a Saudi Arabian purchase of American fighter aircraft.

The allusion was apparently to the C.I.A., which Mr. Roosevelt had left sometime before 1959 to enter private business.

At the time of the letter, the Northrop Corporation was engaged in a fierce struggle with the Lockheed Aircraft Corporation to sell fighter planes to Saudi Arabia and Iran and perhaps later to Kuwait.

In 1965, Mr. Roosevelt had already been operating as a Washington business consultant at the head of his own firm, Kermit Roosevelt & Associates, for one year, having terminated a five-year association with the Gulf Oil Corporation.

He continued "The Shah could not have been more cordial personally—he said that the next time I visit I should bring my wife, and the two families should take a vacation together."

Lockheed Product Ignored

In subsequent months, both Saudi Arabia and Iran purchased Northrop F-5s and ignored the Lockheed product.

The correspondences also reveal critical remarks by Mr. Roosevelt about Phillips Talbot, the former assistant Secretary of State for Near East affairs, and details about his social life, including a party he gave for the new Iranian Ambassador to Washington, Ardeshir Saheidi, in March 1973.

Mr. Roosevelt's efforts appear to have been largely successful, and his fee rose accordingly to \$75,000 from \$15,000 in 1965.

In conducting the investigation, the auditing firm of Ernst & Ernst reported to Northrop that:

"Kim Roosevelt has been perhaps the key figure in establishing the very high level of activity Northrop now has in the Middle East, with contract values in this area in the past seven to eight years running close to a billion dollars."

CIA 104 Roosevelt,
Kermit

CIA 4 IRAN